

GREAT OPIUM RING EXPOSED, ARRESTS MADE IN HONOLULU

White Business Men and Orientals Involved In Gigantic Conspiracy; Joe Kubey Taken Into Custody Last Night, Several On Coast; Dope Seized

Arrests made by federal authorities in Honolulu last night and in San Francisco yesterday expose the greatest conspiracy for the importation and sale of opium ever revealed in the history of dope-dealing in the Territory. Several white business men and many Chinese and Japanese men and women prominently identified with the various industries of the islands are involved, eight or ten of whom are under arrest with as many others to be arrested later.

Joe Kubey, former assistant Honolulu postmaster and for the last few years located in San Francisco, is the most widely known white man under arrest here, although Nathan and Jacob Scharlan, formerly drygoods commission men of Honolulu, have been arrested in San Francisco where they have been established in business for several years. Another brother, Abe, who so far as is known was never a Honolulu resident, was arrested also in San Francisco. The three Scharlans are all brothers of Isadore A. Scharlan, who has a commission agency in Honolulu.

TEA DEALER NABBED

T. H. Davis, San Francisco tea dealer, was another white man who was arrested on the Coast by internal revenue officers who conducted the mainland investigation leading up to the exposure of the gigantic conspiracy.

With the arrests already made, \$40,000 worth of opium was seized in the business establishment of Davis in San Francisco and forty-nine tins of the drug were captured in Honolulu by local customs officers on last Tuesday night when the home of James Al Chuck, former Chinese federal court interpreter was raided.

Ah Chuck was placed under arrest at the time on an opium charge, but was released on the following day after furnishing a bond of \$1000. His arrest was kept secret so the federal officers both here and in San Francisco, could secure the additional evidence necessary to in the advance of Finnish troops against Petrograd.

INQUIRY MADE HERE

Preceding the arrests of yesterday and last night from fifty to sixty Chinese and Japanese have been given the third degree by naval intelligence officers, acting for the United States marshal and district attorney in Honolulu, during the past six weeks, which have led to the arrests of the white men and the implication of from ten to twenty Orientals, some of whom have already been arrested and released on bond.

Evidence secured by the naval intelligence officers, with the assistance of the Honolulu customs staff, and other federal officers, is such that nearly every one of the fifty or sixty Chinese and Chinese investigated during the past month and a half could be held on opium charges, but because of confessions made and assistance given the officers about half of these are to escape prosecution, it is understood.

CHINESE WOMEN INVOLVED

An unexpected development revealed by the opium exposure is that for years several prominent Chinese women have been the Honolulu distributors of the drug, in some cases keeping their operations so secret that even their husbands are thought to have been deceived as to the source of their income.

While the amount of the drug seized in the most recent arrests is comparatively small, memoranda taken in the various raids of the past month and a half show that many thousands of dollars of capital were at the call of the conspirators. Several of the conspirators had private bank accounts and property aggregating in individual deposits of nearly \$100,000.

One of the wealthiest of the hit under arrest is the former Chinese federal court interpreter, James Ah Chuck. Besides bank accounts aggregating \$50,000, he has much property in Honolulu, Kona and on Kauai.

Ah Chuck Says Innocent

Ah Chuck when arrested last Tuesday night professed his innocence and said he had simply acted upon the request of another conspirator to take the opium to his home. This was after it had arrived here from San Francisco by express, for which Ah Chuck admitted he had been given a bill of lading to secure.

Joe Abe, a Japanese with a Hindu cast of features, who has been employed as an engineer on one of Eben Low's vessels, was arrested about two weeks ago and released, after giving bond of \$1000. He is alleged to be implicated in the big conspiracy as a principal through supervising the landing of the drug from Oriental steamers, mostly of the Toyo Kisen Kaisha line. He is the owner of a sampan which was used for this purpose, it is charged, and no use of the Low boats was made for the illicit trade. Abe is said to have profited hugely, although he continued to hold rather a humble position at which he worked steadily.

Neither by confession or through other knowledge coming to the naval intelligence officers, it is believed to be involved. He was held for three days and quizzed by the secret service men, after which he was released. His arrest may yet follow, if it is authentically stated.

At the same time he was being given the third degree, Mrs. He Shue, wife of Dr. Akina, a druggist at 46 Hotel Street, was held for investigation. Forty-eight hours, questioned and subsequently released. She is said to have been under suspicion as one of the Honolulu dealers in the illicit drug. It is asserted that her husband is not involved.

Mrs. Chuey Pook, wife of the steward on the Inter-Island steamer Kona, is the second Chinese woman investigated. She was afterwards allowed her liberty.

An opium charge was placed against a third Chinese woman, Mrs. Amami,

TO MAKE RUSSIA VIRTUALLY GERMAN COLONY

Ultimatum Is Served On Bolshevik Government By German Ambassador Which Demands Return of Prisoners and Disarmament

LONDON, May 11.—(Associated Press)—Germany's attitude toward Russia has become still more threatening. Its demands for the exchange of the-bellied prisoners of war for Russians who are not physically fit has taken the form of an ultimatum, it is reported in despatches received from Moscow last night.

Germany's ambassador at Moscow served an ultimatum upon the Bolshevik government. By its terms it demands a settlement of the prisoner question at once. To comply with all of the terms would make Russia virtually a German colony, it is said.

Following upon insistence of its demands that Russia shall return to Germany all able-bodied Germans who were taken as prisoners of war, retaining such as may be physically disabled, the ultimatum demands that Russia halt forthwith the arming of troops and shall immediately begin the disbanding of such units as may have been formed for the occupation of Russian cities.

Almost powerless to offer anything worthy of resistance and realizing that a parley further will get them nothing out of insistence and further demands that will be even more difficult to comply with, the Bolshevik government is a quandary.

Despatches from Amsterdam yesterday show that reports have reached Germany that German troops are already moving on Petrograd, in the name of helping the Finlanders. The despatch said that the newspaper Vorwarts has informed the reichstag main committee that no Germans are participating in the advance of Finnish troops against Petrograd.

W. S. S.

Strong Opposition To Revenue Legislation Appears

Congressional Leaders of Both Parties Indcline To Delay Law Making On Taxation Until Session In December

WASHINGTON, May 10.—(Associated Press)—Immediate and formidable opposition to the plans of Secretary of Treasury McAdoo to secure new tax legislation at the present session of congress has appeared. By reason of the largely increased expenditures which will have to be met to carry out the enlarged war program, for the army, the navy and shipping and especially the secretary of treasury is urging that increased revenues should be provided.

Conferees were today held between Chairman Kitchin of the house ways and means committee, Senator Simmons of the senate finance committee, and other congressional leaders. The state of revenues and proposed expenditures were discussed at length and from the sentiments which were expressed by members of both houses it is doubtful if taxation legislation will be taken up, but that it will be held for the December session.

It is reported that Democrats and league legislation on taxation revision and that the administration shall hold to its first announced policy of deferring legislation on taxation revision until the December session.

Known as "Junk Man"

Obtainably, Kubey returned here as agent for the moving picture film, "The Exposure of Barbary Coast," which is devoted to showing how drugs and vice were formerly dealt in by the underworld of San Francisco. Cards and other stationery in his possession showed he had been in San Francisco as a "Honolulu junk man."

40,000 Worth of Dope Seized The despatch from San Francisco last night telling of the arrest and raids made there during the day identified Kubey by the same words. This despatch said:

"Internal revenue agents have discovered an alleged conspiracy to import drugs from Honolulu and elsewhere. P. H. Davis, a San Francisco tea dealer has been arrested and \$40,000 worth of opium and cocaine confiscated which was found in the basement of Davis' business establishment."

Washington Post has issued for the arrest of Joe Kubey, a Honolulu junk man and Nathan, Abe and Jacob Scharlan, San Francisco dry goods men. It is believed here that investigations have revealed caches in both Honolulu and San Francisco.

Nathan and Abe Scharlan were under investigation here in 1911 on an opium charge, but neither was convicted. This was while they were engaged in business in Honolulu with their brother, who is still a Honolulu resident.

From information gained from the federal officers late last night it is said that at least ten or twelve more Orientals in Honolulu are to be arrested as the result of the conspiracy exposure. There is no intimation that other white men resident here or known locally are to be involved.

W. S. S.

FOR A LAME BACK When you have pains or lameness in the back bathe the parts with Chamberlain's Pain Balm twice a day, massaging with the palm of the hand five minutes at each application. Then lay on a piece of flannel slightly wet with the balm and let it on over the seat of pain. For sale by all druggists. Benson, Smith & Co., Ltd., agents for Hawaii.—Adv.

GERMAN TEXTILE INDUSTRY IN SERIOUS PLIGHT

Four-fifths of Factories Are Closed and Laborers Are Starving and Desperate—Dissension in Central Powers Further Increase

LONDON, May 11.—(Associated Press)—Outspoken discontent and dissatisfaction, reflecting more clearly the serious internal troubles which are coming to Germany and which Austria is striving to meet, were voiced in the reichstag yesterday.

How desperate is the situation of many of the operatives in Germany was told to the reichstag by Kraetzig, one of the socialist representatives. He said that four-fifths of the textile factories of the country were idle and that the industry was virtually paralyzed. Great suffering had resulted to the operatives who were, in many instances, starving and desperate. This was told in despatches from Berlin to Amsterdam.

Government Assailed

Another socialist, Noake, speaking in the reichstag bitterly criticized the government for the course which it is pursuing in its interference with the interior government of the Ukraine. This course, he said, was causing discord between Austria and Germany and creating a similar discord sentiment among the people, themselves, of the two allied countries.

Wokerle has formed a new cabinet for Hungary, according to Budapest despatches, and is relying upon promises of electoral reforms to bring him success. In taking the portfolio of the interior department in his new cabinet he promised that the right of suffrage shall be materially extended and broadened.

W. S. S.

LOSSES BY U-BOATS ARE CUT IN TWAIN

France Compiles Figures Which Show Decreasing Success of Hun's Ruthlessness

WASHINGTON, May 10.—(Associated Press)—Submarine losses to Allied and neutral shipping during the month of April were not more than half as large as for the same calendar month of 1917 according to figures received here from the ministry of marine at Paris.

The French have made a careful investigation of the marine losses for the month for all of the countries, other than the central powers and those statistics they have compiled and made public.

GERMAN WARSHIPS ARE AFRAID TO COME OUT

WASHINGTON, May 10.—(Official)—More than forty German warships have been successfully attacked by British submarines within the past few months according to a statement received from London and made public by the committee on public information.

Many exploits are related in this statement including two apparent hits of dreadnaughts off the Danish coast. The report adds that "the enemy now rarely allows its overseas craft to leave harbors."

Another London despatch gives a report from Vice Admiral Sims, commanding the American fleet in the war zone, that the submarine campaign of "the enemy is steadily diminishing while the new allied tonnage is steadily increasing." "The corner is nearly turned," he continued. "Within a fortnight we hope that the rate of construction will meet that of destruction."

Secretary McAdoo has ordered the rate of marine insurance in the war zone to be cut from three percent to two percent, owing to the decreasing effectiveness of the submarine campaign. The rate has been gradually lowered from six and one-half percent which rate prevailed last August.

W. S. S.

U-BOAT TARGET IS SMASHED BY SHELL

WASHINGTON, May 10.—(Official)—Officers of an American warship which has arrived at an Atlantic port reported that they sighted three submarines almost simultaneously. They immediately opened fire, the first two shots being directed at the nearest liver and missing. The third shot struck the submarine squarely, just below the water line. The explosion which followed lifted the U-boat clear out of the water. It doubled up and sank almost immediately. No survivors were seen.

W. S. S.

NICARAGUA WILL HELP ALLIES WITH ITS GRAIN

SAN SALVADOR, May 11.—(Associated Press)—Closely cooperating with the United States in its efforts, Nicaragua will assist in supplying the Allies with cereals. Its stock is not vast but from what it has it will furnish as liberally as may be possible.

W. S. S.

FRANCE AND TURKEY TO EXPATRIATE CIVILIANS

PARIS, May 11.—(Associated Press)—France and Turkey have agreed upon the best method of expatriating the civilians of both countries who have been interested since the war began.

Channel At Ostend Partially Blocked By British Coup

LONDON, May 11.—(Associated Press)—As a result of a new naval raid, similar to the one which was conducted against the Hun submarine bases at Zebrugge and Ostend, the entrance to Ostend is at least partially blocked. While Berlin officially denies that there was any damage done, Press Association despatches say that the channel was at least partially blocked and that the blockade will be serious as the sill will wash in and add to Germany's difficulties in clearing the channel opening.

Announcement was made yesterday by the admiralty of a new raid by British naval forces upon the Zeugen submarine base at Ostend, employing tactics similar to those that were heretofore successful at Zebrugge. An obsolete naval steamer, the Vindictive was sacrificed in an attempt to block the harbor entrance. This vessel was filled with concrete, towed to the scene, sunk and sent off with the intent of making it across the channel. Instructions are that it did not completely block the channel but that it does close it in great part.

The admiralty reported that in this raid the British lost only one motor boat and that the casualties were slight and well warranted by the success that was achieved.

While this effort to block the Ostend Harbor entrance was in progress an air raid was conducted against Zebrugge where the mole and the village were bombed. Official despatches from Berlin to Amsterdam asserted that "no military damage resulted."

DEATH ROLL FROM TORNADOES GROWS

First Reports Did Not Show Damage As Great As Later Advises Now Indicate

CHICAGO, May 10.—(Associated Press)—Later reports on the tornado show that all of central and northwestern Iowa and central Illinois are swept. In this section eleven were killed and more than 150 injured. Hundreds of houses and barns were blown down, much stock killed and the general damage is heavy.

Eighteen lives are known to have been lost and damage of at least \$1,000,000 has been caused by a tornado which yesterday swept over Iowa and Illinois.

At least seven were killed and seven in Illinois. It is feared that there are other deaths, not reported.

W. S. S.

SHIP PROGRAM MAKES MUCH BETTER SPEED

SAN FRANCISCO, May 10.—(Official)—Nineteen hundred vessels of all types are now in construction in the United States shipyards and of these 200 are building in the state of California, it is reported by the Pacific Coast representative of the shipping board. In California the yards are already overworked, he said, with 9000 tons of wheat for the Allies. Three other similar vessels are expected to be launched on July 4.

The plant referred to now employs 6000 men while a short time ago it gave employment to only 250.

W. S. S.

POPE TO ASK PRAYER THAT HORRORS CEASE

ROME, May 10.—(Associated Press)—Instead of offering new proposals looking towards peace the pope will ask the prayers of the world for divine intervention to bring a diminution and cessation of the horrors of the terrible conflict.

Observance of St. Peter's Day will be the occasion for the message from the pontiff. It will be addressed to the whole world and will ask that the day be made one of general prayer for the cessation of the evils that are tormenting all humanity.

W. S. S.

SIX AMERICANS ARE REPORTED CAPTURED

WASHINGTON, May 11.—(Associated Press)—American casualties as reported by the war department yesterday numbered twenty-two.

Four were killed in action, four died of wounds, two from accident, nine of disease and one was drowned. Forty-six were wounded, twenty severely and six were taken prisoners.

W. S. S.

Special Honors To Be Shown To Mothers Who Make Sacrifices

WASHINGTON, May 10.—(Official)—Special honors for those mothers who are making patriotic sacrifices through the services of beloved sons who are fighting the battle of democracy against Prussian autocracy and the domination of militarism, is planned in the observance of Mothers' Day, Sunday, May 12.

The house of representatives has adopted resolutions asking the President to publicly proclaim that national honors be shown to these patriotic mothers.

General Pershing has asked every American soldier, whose mother is living, to write home on Mothers' Day.

W. S. S.

TO CURE A COLD IN ONE DAY

Take LAXATIVE BROMO QUININE (Tablets). Druggists refund money if it fails to cure. The signature of E. W. GROVE is on each box. Manufactured by the PARIS MEDICINE CO., St. Louis, U. S. A.

WEARIED HUNS PAUSE AGAIN THWARTED IN ALL EFFORTS

Failure of Thursday's Effort Is Followed By Lull In Offensive and Allies Become More Aggressive At Once

AMERICANS AND FRENCH MAKE RAID UNDER FIRE

Poilus Capture Grivesnes, Take Prisoners and Consolidate Positions and Organize In Face of Resistance

NEW YORK, May 11.—(Associated Press)—Smashed and weakened by their unsuccessful efforts of Thursday to drive back the defense of Ypres, the Huns were again compelled to pause for rest and recuperation and there was a distinct lull in their offensive yesterday. Taking advantage of this the French and American forces conducted some raids against the enemy while the British made preparations to meet any further assaults upon their front.

ALLIES AGGRESSIVE

The engagements were generally local and scattering along the French front but in those engagements some bloody fighting occurred. Elsewhere there were no general engagements, although there was some fighting of minor magnitude on the British front and the enemy artillery fire continued heavy.

There was local fighting at Aveluy. General Haig reported and the enemy artillery was heaviest at Vimy, Robecq and Dickebusch. To the northwest of Albert the British forces recaptured Thursday and of which they had previously recovered only a part.

AMERICANS ASSIST

American artillery and infantry participated with the French in a successful raid at Apremont Forest which was conducted under heavy bombardment for two hours, according to messages received from the American front last night. In the Lunerville sector where also are the Americans, the day was quiet.

PRISONERS TAKEN

Grivesnes Park, northwest of Montdidier, was captured by the French after some heavy fighting and 258 prisoners were taken. In spite of some desperate resistance the new positions were organized and successfully held, said the French official communique of last night. At Grivesnes and between Lassigny and Noyon the enemy bombarded heavily.

BERLIN'S CLAIMS

"Following increased artillery fire, the Allies advanced upon our positions at Kemmel, Luce Brook and on the west bank of the Avre, but we repulsed their attack, taking prisoners," said the Berlin official report of the day.

ITALIAN FORCES

Official advices received through the Italian embassy at Washington say that the Italian forces in France now number nearly a quarter of a million men and that this force is being rapidly strengthened.

The war office made a statement that the bulk of the German reserves are now in the rear of the Somme front and it is assumed that the main effort in the next month will be in that direction, though it is equally certain the Germans will not quit their Flanders attacks.

In a statement today, Earl Curzon, member of the war council, says that grave times are ahead for the British and that they might be forced to yield ground. He declared, however, that ground for encouragement is found in the unity of command, giving effective military operations, and the American effort to bring a large army to bear, as well as in the indomitable spirit with which the British face the situation.